

Ratio Study Narrative 2023

General Information	
County Name	Orange

Person Performing Ratio Study			
Name	Phone Number	Email	Vendor Name (if applicable)
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Sales Window	<p style="text-align: center;">Residential Improved excluding Greenfield and Jackson 1/1/2022 to 12/31/2022</p> <p style="text-align: center;">Residential Improved Greenfield and Jackson 1/1/2021 to 12/31/2022</p> <p style="text-align: center;">Residential Vacant 1/1/2020 to 12/31/2022</p> <p style="text-align: center;">Commercial Improved French Lick and Paoli 1/1/2019 to 12/31/2022</p> <p style="text-align: center;">Commercial Improved Orleans 1/1/2018 to 12/31/2022</p>
If more than one year of sales were used, was a time adjustment applied?	<p>If no, please explain.</p> <p>For Commercial Improved the sales window for French Lick Township and Paoli Township was expanded to include sales from January 1, 2019 through December 31, 2022. For Orleans Township the sales window was expanded to include sales from January 1, 2018 through December 31, 2022. There was no measurable change and limited market data to derive a time adjustment.</p> <p>For Residential Vacant the sales window was also expanded to include sales from January 1, 2020 through December 31, 2022. With few sales the data was limited in arriving at a time adjustment. No time adjustment was applied.</p>

	<p>If yes, please explain the method used to calculate the adjustment.</p>
	<p>For Residential Improved sales in both Jackson and Greenfield Townships, the sales window was expanded to include sales from January 1, 2021 through December 31, 2022.</p> <p>The 2021 sales for these two townships were time adjusted using an annualized rate of 5 %. The yearly CPI was 6.5%. The US Federal Housing Authority housing index for Indiana in 2022 was 9.5% and Zillow’s index for Indiana for 2022 was 7.1%.</p> <p>Orange County is one of the smaller counties in the state and these are 2 of the smaller townships within the county with real estate markets that lag the rest of the county so a 5 % rate was considered reasonable.</p>

<p>Groupings</p>
<p>Please provide a list of townships and/or major class groupings (if any). Additionally, please provide information detailing how the townships and/or major classes are similar in the market.</p> <p>**Please note that groupings made for the sole purpose of combining due to a lack of sales with no similarities will not be accepted by the Department**</p>
<p>Residential Improved sales from Northeast, Northwest, Orangeville, Southeast and Stampers Creek Townships have been combined into one grouping. These townships are each away from the incorporated areas of French Lick, Orleans, Paoli and West Baden. The topography and terrain is the same in each of these townships with rolling, heavily wooded hills and valleys. These are very sparsely populated areas with scattered farms and houses which include a high concentration of Amish farms. The real estate market is relatively inactive in these areas. Demand for homes in these areas is similar with comparable homes selling in the same price ranges.</p> <p>Residential Vacant Sales have been combined into two groupings. French Lick, Jackson and Northwest Townships comprise the first group. These townships are adjacent, all in the same school district and make up the western third of the county. Vacant sales are influenced by proximity to French Lick, West Baden and Patoka Lake. Vacant sales in this area are primarily for recreational type properties with many out of county buyers. All 3 townships are heavily wooded and rolling with little variance between townships. Sites would have similar appeal to buyers in each of the three townships.</p>

The second grouping of residential vacant parcels is comprised of Greenfield, Orleans, Paoli, and Southeast Townships. The terrain is similar to the western third of the county but there is a higher percentage of agricultural properties here. These townships make up the Orleans and Paoli school districts. Buyers in these areas tend to be more local buyers than non-resident buyers. In prior year Ratio Studies sales from Northeast, Orangeville and Stampers Creek Townships have been included with this grouping but no valid sales from those townships were available.

Commercial Improved sales from French Lick, Orleans and Paoli Townships have their own sales studies and are far more active commercial sales areas than the remainder of the county. There has only been one recent sale from the smaller townships so there is no grouping to include the smaller townships.

AV Increases/Decreases

If applicable, please list any townships within the major property classes that either increased or decreased by more than 10% in total AV from the previous year. Additionally, please provide a reason why this occurred.

Property Type	Townships Impacted	Explanation
Commercial Improved		
Commercial Vacant		
Industrial Improved	Southeast Township (-19.2%) Stampers Creek (+180.2%)	Only 1 parcel in group, 59-10-31-024.000-013. Reduction is coming from an increase in depreciation on all improvements. There were 2 parcels in this group for 1/1/2022 and 3 parcels for 1/1/23, two of which were not in the 2022 group. Parcel 59-10-14-400-011.006-014 (\$89,000 AV) and parcel 59-10-14-400-011.005-014 (\$62,000 AV) are new split parcels that were added for 1/1/23.
Industrial Vacant	Greenfield Twp (+11.4%)	Only 1 parcel in group, 59-14-12-400-040.000-004 which is a mixed use parcel with both Industrial and Agricultural Land. There are 23.56 acres of tillable AG ground. Increase is from the 26.6%

	<p>Jackson Twp (+11.3%)</p> <p>Northwest Twp (+13.8%)</p> <p>Orleans Twp (+10.2%)</p>	<p>sales. Additional increases in this township are due to new construction.</p> <p>The majority of the increase in this township is also from an increase in the new trend factors based on sales. The increase in the largest neighborhood, 9501-005 was 11.07%. This along with revised land values from the new Land Order and new construction caused the increase.</p> <p>The majority of the increase in Northwest Twp is from an increase in the trend factor for the main neighborhood, 9702-007, of 11.1%. Additional increases are from changes and new construction. Northwest is part of the Phase 1 Review Group.</p> <p>The bulk of the increase in Orleans Twp is from higher improvement trend factors based on sales. The increase in most neighborhoods was between +10 and +11%, (Neigh 1006-010 +11%, Neigh 1018-010 +10.9%, Neigh 9901-009 +11.1%) Additional increases in assessment are from changes and new construction. Orleans is part of the Phase 1 Cyclical Review Group.</p>
Residential Vacant	Jackson Twp (+12.8%)	As part of the updated Land Order, acreage base rates in the rural subdivisions were increased to bring assessed values in line with sales. In Patoka Ridge Sub (Neigh

	<p>Orangeville Twp (+10.5%)</p>	<p>9504-005) excess acre rates were raised to \$10,000/ acre. Acreage rates in Buffalo Ridge sub (see 59-13-02-400-025.003-005 for example) were raised significantly. Rates in Lindsey’s Lakeview Estates (see 59-13-10-401-006.000-005 for example) were also raised significantly.</p> <p>The increase in Orangeville is due to the addition of 2 new split parcels for 2023. Parcel 59-06-04-800-009.001-008 and 59-03-21-400-020.001-008 were added for 2023 resulting in an increase of \$27,700.</p>
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<p>Cyclical Reassessment</p>
<p>Please explain which townships were reviewed as part of the current phase of the cyclical reassessment.</p>
<p>The northern part of the county-Northwest Township, Northeast Township, Orangeville Township, Orleans Town and Township and parts of Stampers Creek Township</p>

<p>Was the land order completed for the current cyclical reassessment phase?</p>
<p>Yes. The land order was completed in 2021 for Phase 4 of the prior Cyclical Reassessment. Land values were reviewed and revised during 2022 as part of the Phase 1 of the current Cyclical Reassessment and a new Land Order was completed.</p>

<p>Comments</p>
<p>In this space, please provide any additional information you would like to provide the Department in order to help facilitate the approval of the ratio study. Such items could be standard operating procedures for certain assessment practices (e.g., effective age changes), a timeline of changes made by the assessor’s office, or any other information deemed pertinent.</p>
<p>Neighborhood anomaly – While most of Orange County is quite similar in the types of homes throughout, there is one area within the county with far more variance. Greenfield Township has neighborhood 9403-004 which is made up solely of “Wildwood Lake”. This is a rural recreational and hunting development with approximately 500 lots. Some of the lots are occupied year round but many are for weekend or seasonal use. Most of the property owners are from out of the county and there tends to be a fairly large number of lots that sell each year.</p>

Some of the sales are open market sales but many are private sales without market exposure. There is no consistent pattern to sales in this area. Adjacent lots with similar amenities and topography may easily sell with variances of 50 to 200% in prices. Because of the abnormal sales patterns, many sales each year are excluded from the ratio study.

Effective Age Application. The county does not have a rigid guideline for effective age changes since each house is different in age, size and design. For example, replacing the roof and siding on a small older home with a new standing seam metal roof and new vinyl siding could have a much greater change to the overall effective age than doing the same to a modern ranch home. The county adjusts effective ages to sold and unsold homes when updates, renovations or additions warrant a change. For unsold properties the changes start with field notes from data collectors and the Assessor being able to compare old photos versus recent photos in the County's CAMA software program.

For sold properties the Assessor has additional data including MLS listing information which is extremely beneficial when interior improvements have been made.

The amount of the effective age change is based upon the degree to which the property has been upgraded or renovated and how much the potential value of the property has changed.